

SURFACE TRANSPORTATION BOARD Washington, DC 20423

Office of Economics, Environmental Analysis and Administration

May 5, 2004

Miss Patricia Hooks
Regional Director
U.S. Department of the Interior
National Park Service
Southeast Region
100 Alabama Street, SW
1924 Building
Atlanta, GA 30303

Re:

STB Finance Docket No. 34421, HolRail LLC- Construction and Operation Orangeburg and Dorchester Counties, South Carolina Request for Comments on Potential Environmental Impacts

Dear Miss Hooks:

On November 13, 2003, HolRail LLC (HolRail) filed a petition with the Surface Transportation Board (Board) pursuant to 49 U.S.C. 10502 for authority to construct and operate a new rail line in Orangeburg and Dorchester Counties, South Carolina (SC) (see Figure 1). The project would involve the construction of an approximately 2-mile rail line to connect a cement production factory near Holly Hill, SC, owned by HolRail's parent company, Holcim (US) Inc. (Holcim), with an existing rail line of the Norfolk Southern Railway Company, located near Giant, SC.

Pursuant to the National Environmental Policy Act of 1969 as amended (NEPA) and the Board's environmental rules, the Board's Section of Environmental Analysis (SEA) will prepare an environmental document that evaluates the potential environmental impacts of the proposed project and the reasonable and feasible alternatives to the proposal, including the no-build alternative, as discussed below. The purpose of this letter is to request information from your agency on the resources under your jurisdiction that could be affected by the proposed project, as well as any permits and approvals that may be required.

The proposed project would establish competitive rail service at the facility located at Holly Hill, SC, which presently is served only by CSX Transportation, Inc. (CSX). Holcim

recently completed an expansion of the Holly Hill plant and has determined that rail competition is necessary to achieve the full benefits of the expanded production capacity.

HolRail proposes to build a 2-mile rail line, on one of two potential routes between Holly Hill and Giant (see Figure 2). Both routes parallel the existing CSX line across Four Hole swamp between Peedee Lake and Rowser Lake. Route A would involve constructing the line within the existing right-of-way of CSX while alternate Route B would be constructed outside of the CSX right-of-way, approximately 50 yards to the east of the existing CSX line, on property almost completely owned by Holcim. The environmental document will evaluate both Routes A and B, as well as the no-build alternative and any other reasonable alternatives.

HolRail intends to construct and own the track, which would be a common carrier rail line. HolRail would arrange for a third-party operator, possibly the Norfolk Southern Railway Company, to provide rail service. HolRail would employ a contractor to provide maintenance service for the line, or engage the third-party operator to perform this service.

Most shipments on the new rail line would be non-hazardous materials. Inbound traffic would generally be empty covered hopper cars, and most of the outbound traffic would be cement in covered hopper cars.

In 2004, Holcim projects the Holly Hill facility will ship approximately 555,000 metric tons of cement by rail, which totals approximately 6,440 carloads. At optimum production, the facility will load and tender up to 60 rail cars per day in a single block-train. Inbound, Holly Hill will receive approximately 150,000 metric tons of coal per year (1,500 carloads) in 70-car unit trains, and smaller quantities of sand and white cement. A Holcim subsidiary, also located at the plant site, will receive approximately 260 tank cars of waste chemicals annually, which are blended for incineration as fuel. While the Holly Hill facility consumes a portion of the blended product, the remaining amount (roughly 120 carloads annually) is shipped to other facilities.

This letter begins the process by which SEA will assess the potential environmental effects, both positive and negative, that may be associated with the proposed rail line construction and operation. We appreciate your assistance in identifying whether resources of concern to your agency may be affected by the proposed project. We request your response by June 4, 2004, so that we may be able to schedule any meetings, site visits, or surveys, conduct necessary follow-up activities, and incorporate your response into the scope of the study, as appropriate.

Parsons Transportation Group is serving as SEA's independent third-party consultant in this proceeding, and will assist SEA in the preparation of the environmental document. Please send your comments to:

Mr. Winn Frank Parsons Transportation Group 1133 15th Street NW Washington, DC 20005 SEA will prepare either an environmental assessment (EA) or an environmental impact statement (EIS). SEA's decision on whether to prepare an EA or an EIS will be based in part on comments received in response to this agency consultation letter. SEA will make the environmental document available for review by agencies and the public as required by NEPA and the Board's environmental rules (49 CFR 1105). In reaching its decision, the Board will take into account the environmental document and all environmental comments that are received.

If you have any questions, please do not hesitate to contact Winn Frank, Project Manager for Parsons Transportation Group, at 202-775-3382, or Dave Navecky, SEA Project Manager, at 202-565-1593. Thank you for your assistance.

Sincerely,

Victoria Rutson

Chief

Section of Environmental Analysis

Attachments (2)

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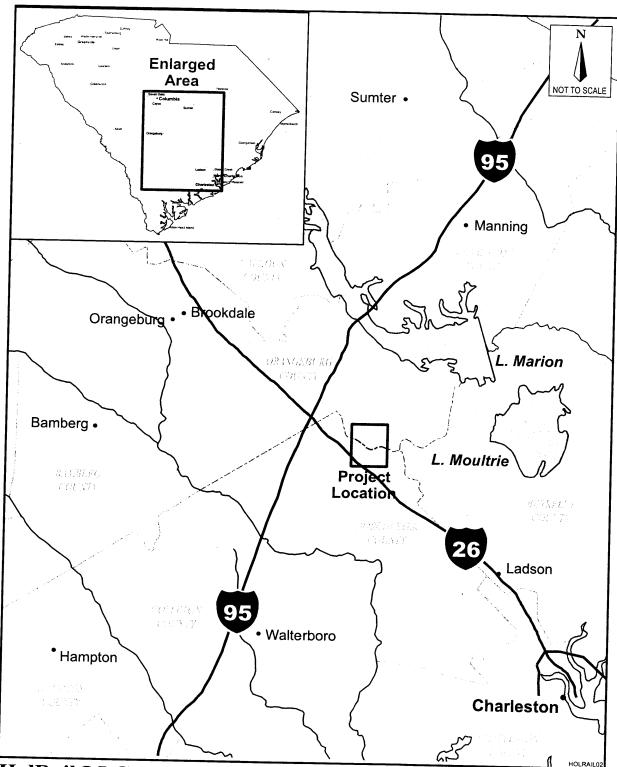
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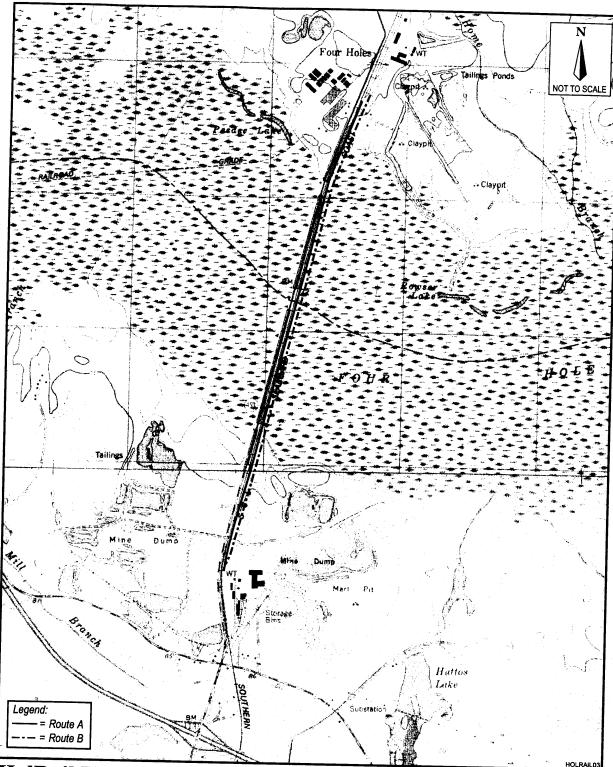
Orangeburg County Office of the County Administrator (J. William Clark, County Adminstrator)

Orangeburg County Office of Planning (Harold Young, Coordinator)



HolRail LLC Construction and Operation
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PROJECT AREA
Figure 1



HolRail LLC Construction and Operation
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POTENTIAL ROUTES
Figure 2